

**CIVIL COVER SHEET**

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM).

**I.(a) PLAINTIFFS - Stelax Industries, Ltd..****DEFENDANTS - Alder Trading Corporation, William Donahue, Neil Gibson, David Perry, William Woolfencroft and John P. Matias, Jr.****(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF** Canada and Texas  
(EXCEPT IN U.S. PLAINTIFF CASES)**COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT** California and Nevada  
(IN U.S. PLAINTIFF CASES ONLY)**NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.****(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)**

Mark A. Goodman  
David, Goodman & Madole, A Professional Corporation  
Two Lincoln Center  
5420 LBJ Freeway, Suite 1200  
Dallas, Texas 75240  
(972) 991-0889

**ATTORNEYS (IF KNOWN)**

P. Jefferson Ballew  
Adrienne E. Dominguez  
Thompson & Knight LLP  
1700 Pacific Avenue, Suite 3300  
Dallas, Texas 75201  
(214) 969-1469  
Attorneys for William Donahue, Jr. only

MAY - 2 2003

**II. BASIS OF JURISDICTION**

(PLACE AN "X" IN ONE BOX ONLY)

- ☐ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES**

(For Diversity Cases Only)

(PLACE AN "X" IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

- |                                         |                                                               |                                                               |                                                                          |
|-----------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------|
| Citizen of This State                   | PTF <input type="checkbox"/> 1 DEF <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in This State     | PTF <input checked="" type="checkbox"/> 4 DEF <input type="checkbox"/> 4 |
| Citizen of Another State                | <input type="checkbox"/> 2 X 2                                | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 X 5                                           |
| Citizen or Subject of a Foreign Country | X 3 X 3                                                       | Foreign Nation                                                | <input type="checkbox"/> 6 <input type="checkbox"/> 6                    |

**IV. ORIGIN**

(PLACE AN "X" IN ONE BOX ONLY)

- ☐ 1 Original Proceeding
- ☒ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from another district (specify)
- ☐ 6 Multidistrict Litigation
- ☐ 7 Appeal to District Judge from Magistrate Judgment

**V. NATURE OF SUIT**

(PLACE AN "X" IN ONE BOX ONLY)

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholder's Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<b>PERSONAL INJURY</b> <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agriculture Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease and Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	<b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 Habeas Corpus: General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights	<b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSD Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS - Third Party 26 USC 7609	

**VI. CAUSE OF ACTION**

(CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

Removal on diversity grounds under 28 U.S.C. § 1332; § 1441(a)

**VII. REQUESTED IN COMPLAINT**

DEMAND in excess of \$16 million

CHECK YES only if demanded in complaint:

**COMPLAINT**

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

JURY DEMAND: ☐ YES ☒ NO**VIII. RELATED CASE(S) IF ANY**(See instructions):  
N/A

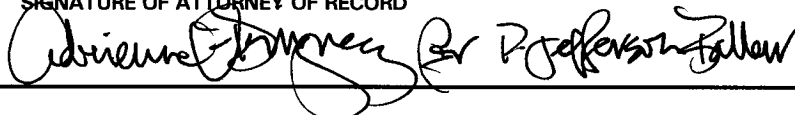
JUDGE

DOCKET NUMBER

DATE

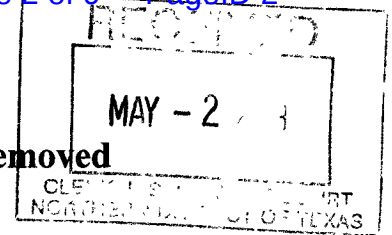
May 2, 2003

SIGNATURE OF ATTORNEY OF RECORD



FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_

**ORIGINAL****United States District Court  
Northern District of Texas****Supplemental Civil Cover Sheet For Cases Removed  
From State Court**

**This form must be attached to the Civil Cover Sheet at the time the case is filed in the U.S. District Clerk's Office. Additional sheets may be used as necessary.**

**3 03 CV - 09 23 M****1. State Court Information:**

Please identify the court from which the case is being removed and specify the number assigned to the case in that court.

**Court****Case Number**

101st Judicial District Court, Dallas County, Texas

03-02453-E

**2. Style of the Case:**

Please include all Plaintiff(s), Defendant(s), Intervenor(s), Counterclaimant(s), Crossclaimant(s) and Third Party Claimant(s) still remaining in the case and indicate their party type. Also, please list the attorney(s) of record for each party named and include their bar number, firm name, correct mailing address, and phone number (including area code.)

**Party and Party Type****Attorney(s)**

Stelax Industries, Ltd.  
(Plaintiff)

Mark A. Goodman  
State Bar No. 08156920  
Barry L. Hardin  
State Bar No. 08961900  
Daniel J. Madden  
State Bar. No. 24002513  
David, Goodman & Madole, P.C.  
Two Lincoln Centre  
Dallas, Texas 75240  
(972) 991-0889

William Donahue, Jr.  
(Defendant)

P. Jefferson Ballew  
State Bar No. 01654980  
Adrienne E. Dominguez  
State Bar No. 0079363  
Gregory D. Binns  
State Bar No. 24027148  
Thompson & Knight LLP  
1700 Pacific Avenue, Suite 3300  
Dallas, Texas 75201  
(214) 969-1700

Alder Trading Corporation  
Neil Gibson  
William Woolfpencroft  
David Perry  
John Matias, Jr.  
(Defendants)

Counsel not known

3. **Jury Demand:**

Was a Jury Demand made in State Court? Yes X No

If "Yes," by which party and on what date?

4. **Answer:**

Was an Answer made in State Court? X Yes No

If "Yes," by which party and on what date?

William Donahue  
Party

May 1, 2003  
Date

5. **Unserved Parties:**

The following parties have not been served at the time this case was removed:

**Party**

**Reason(s) for No Service**

Returns of service for all defendants except William Donahue are contained in the state court record.

6. **Nonsuited, Dismissed or Terminated Parties:**

Please indicate any changes from the style on the State Court papers and the reason for that change:

**Party**

**Reason**

None

N/A

7. **Claims of the Parties:**

The filing party submits the following summary of the remaining claims of each party in this litigation:

**Party**

**Claim(s)**

Plaintiff

Plaintiff seeks damages for alleged breach of a contract to obtain financing for a business opportunity, conversion of stock, fraud, tortious interference with prospective contractual relations, breach of fiduciary duty, conspiracy and misappropriation of trade secrets, and punitive damages.

Defendant William Donahue

Denies the allegations.



Woolfpencroft<sup>2</sup> and John P. Matias, Jr., as defendants. The case is Cause No. 03-02453-E, styled *Stelax Industries, Ltd. v. Alder Trading Corporation, William Donahue, Neil Gibson, David Perry, William Woolfpencroft and John P. Matias, Jr.* (the “State Court Action”). The Plaintiff’s claims in the State Court Action are for breach of contract, conversion, fraud, tortious interference with contracts and other business torts as a result of a failed business venture. Plaintiff seeks damages in the form of monetary relief.

2. Donahue received notice of the lawsuit through personal delivery of the Original Petition and Citation directed to him on April 4, 2003; no return of service is contained in the state court record. Donahue submitted a Motion to Quash Service of Process on April 28, 2003, contending that the service was improper and ineffective. Donahue thereafter submitted his answer in the 101st Judicial District Court of Dallas County, Texas on May 1, 2003. True and correct copies of the Plaintiff’s Original Petition, and Donahue’s Motion to Quash Service of Process and Original Answer, are attached hereto in Exhibit “B.”

3. “Woolfpencroft” was purportedly served through the Texas Secretary of State on April 3, 2003. A true and correct copy of the Officer’s Return relevant to “Woolfpencroft” is attached hereto in Exhibit “B.” “Woolfpencroft” was also purportedly served through the Texas Secretary of State as an officer of Alder Trading Corporation on April 3, 2003, and a true and correct copy of the Officer’s Return relevant to Alder Trading Corporation is attached hereto in Exhibit “B.”

4. Gibson, Perry and Matias purportedly were served with process through the Texas Secretary of State on April 12, 2003, and Alder Trading Company purportedly was served with

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<sup>2</sup> The correct name of William “Woolfpencroft” is Woolstencroft.

process through the Texas Secretary of State on April 14, 2003. True and correct copies of the Certificates of Service from the Texas Secretary of State are attached hereto in Exhibit "B."

5. No other proceedings have been had in the 101st Judicial District Court of Dallas County, Texas.

6. As required by 28 U.S.C. § 1446(b), this Notice of Removal is being filed within thirty days from the date any defendant was properly served with process.

## II.

### DIVERSITY BASIS FOR REMOVAL

7. Federal jurisdiction is based upon complete diversity of citizenship between Plaintiff and all of the Defendants in accordance with 28 U.S.C. § 1332.

8. Removal is authorized because the State Court Action is a civil action in which this Court has original jurisdiction under 28 U.S.C. § 1332, and is one that may be removed to this Court by Donahue pursuant to the provisions of 28 U.S.C. § 1441(a). The State Court Action is a civil action between citizens of different states and foreign countries, and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs.

9. Diversity of citizenship existed at the time the State Court Action was commenced and at the time of removal:

a. At the time the State Court Action was filed, as well as at the time of removal, Plaintiff was (and is currently) a citizen of both Canada and Texas because Plaintiff was and is incorporated in Canada and its principal place of business was and is in Texas; and

b. At the time the State Court Action was filed, as well as at the time of removal, Alder Trading Corporation was (and is currently), for purposes of

diversity and removal, a citizen of Nevada and California because Alder Trading Corporation was and is incorporated in Nevada and its principal place of business was and is in California.

c. At the time the State Court Action was filed, as well as at the time of removal, Donahue was (and is currently), for purposes of diversity and removal, a citizen of Michigan because Donahue maintains his domicile in Michigan.

d. At the time the State Court Action was filed, as well as at the time of removal, Gibson was (and is currently), for purposes of diversity and removal, a citizen of the United Kingdom.

e. At the time the State Court Action was filed, as well as at the time of removal, Perry was (and is currently), for purposes of diversity and removal, a citizen of California because Perry maintains his domicile in California.

f. At the time the State Court Action was filed, as well as at the time of removal, Woolstencroft was (and is currently), for purposes of diversity and removal, a citizen of the Netherlands.

g. At the time the State Court Action was filed, as well as at the time of removal, Matias was (and is currently), for purposes of diversity and removal, a citizen of California because Matias maintains his domicile in California.

10. Plaintiff's claims against each of the Defendants exceed the sum of \$75,000.00, exclusive of interest and costs. In its Original Petition, Plaintiff has alleged damages at least in excess of \$16 million, exclusive of interest and costs.

11. Under 28 U.S.C. § 1441(a), the State Court Action may be removed to this Court because it is the United States District Court for the district and division embracing the place where the State Court Action is pending.

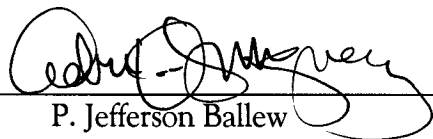
12. Donahue will give written notice of the filing of this Notice to Plaintiff and the other Defendants.

WHEREFORE, PREMISES CONSIDERED, Defendant William Donahue removes this action from the 101st Judicial District Court of Dallas County to the United States District Court for the Northern District of Texas and requests that this Court assume full jurisdiction of this cause as if it had been originally filed here, and that further proceedings in the State Court Action be stayed. Defendant William Donahue also requests such other and further relief, general and special, legal and equitable, to which it is justly entitled.

Dated this 2d day of May, 2003.

Respectfully submitted,

THOMPSON & KNIGHT LLP

By:   
P. Jefferson Ballew  
State Bar No. 01654980

Adrienne E. Dominguez  
State Bar No. 00793630

Gregory D. Binns  
State Bar No. 24027148




1700 Pacific Avenue, Suite 3300  
Dallas, Texas 75201  
(214) 969-1700  
Fax: (214) 969-1751

ATTORNEYS FOR DEFENDANT  
WILLIAM DONAHUE

**CERTIFICATE OF SERVICE**

On this the 2<sup>nd</sup> day of May, 2003, a true and correct copy of the foregoing document was served upon counsel for Plaintiff via certified U.S. mail, return receipt requested.

  
\_\_\_\_\_  
Adrienne E. Dominguez

505113 000002 DALLAS 1583802.1